



**Department of the Navy
Human Resources Service Center
Benefits Bulletin No. 2003-11**

**Flexible Spending Accounts (FSA)
Open Season
10 November - 8 December 2003
(Revised)**

FSA OPEN SEASON

The FSA open season began 10 November. The open season period coincides with the annual Federal Employees Health Benefits (FEHB) open season. The enrollment period for the FEHB and FSA programs runs through 8 December 2003.

WHAT IS A FSA?

There are two FSAs:

- A Health Care FSA [HCFSA], allows pre-tax reimbursement of eligible medical costs not covered or reimbursed by insurance. Examples include FEHB plan deductibles, co-payments and coinsurance, dental and vision services not covered by FEHB plans, etc.
- A Dependent Care FSA [DCFSA], allows participants to be reimbursed on a pre-tax basis for child care or adult dependent care expenses that are necessary to allow the employee (and his/her spouse) to work or seek work.

Unlike Premium Conversion, participation in a FSA is not automatic; employees must make a voluntary election on an annual basis. If an employee does not make an election during the open enrollment they will not have a FSA in the new plan year. The benefit election is irrevocable once the plan year has begun, unless the employee experiences a qualifying "change in status" event. Additionally, if by the end of the plan year the money in an employee's account is not used, the money will be forfeited.

FSA's are effective financial management tools that can stretch the disposable incomes of an account holder and ensure that funds are available, when needed, to pay for out-of-pocket medical expenses or dependent-care costs of a child or parent. Employees wanting to learn more about the FSAs or enroll in the FSA program can visit the Federal FSA Program web site at <https://www.fsafeds.com/>

Other site features that are available to you include:

- An overview on FSAs.
- A calculator to help estimate how much to put into either a HCFSA or DCFSA.
- Frequently Asked Questions (FAQs).

TAX INFORMATION

Please visit <https://www.fsafeds.com/fsafeds/faq.asp#irs> for specific tax information concerning FSA accounts. Also, you may wish to speak with your tax advisor if you have over withheld deductions from your FSA account.

WHO DO I CONTACT IF I HAVE QUESTIONS?

All inquiries should be made directly to the program administrator by calling toll free at 1-877-FSAFEDS (1-877-372-3337). FSA program counselors are available Monday through Friday, 9 AM until 9 PM, Eastern Time, or email any questions to FSAFEDS@shps.net. For hearing impaired employees, the TTY/TDY number is 800-952-0450.

All civilian employees who are interested in enrolling in the Federal FSA Program should continue to monitor the FSA program's web site at <https://www.fsafeds.com/> for future updates or for enrollment information.

Your Human Resources Service Center (HRSC) is not involved in this program and therefore all inquiries should be made directly to the program administrator by calling the telephone number above.